Asset managers and investment funds

"

Relationships are always very personable and professional at the same time.

The various colleagues always demonstrate an extremely high level of knowledge."

- Legal 500

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What we do

Advising asset managers and investment funds

Our asset management and investment funds practice offers a full-service approach. Our expertise spans authorised retail funds, unauthorised private funds with a range of strategies, and certain 'niche' funds, including charitable funds and investment funds created under statute. We advise funds, managers, and their distributors at all stages of a fund's lifecycle from formation, authorisation, and marketing through to the winding down of the fund, and events in between (eg regulatory changes, changes to service providers and exceptional events requiring suspensions etc).

We guide our asset management and funds clients through the complex regulation and principles that apply to them, offering personable, pragmatic and accessible advice that helps us build long-lasting relationships.

Our regulatory expertise in this area is vast, including advising on:

- the Consumer Duty;
- UCITS (and the FCA's COLL sourcebook);
- the UK AIFM Regime (and the FUND sourcebook);
- the Senior Managers and Certification Regime;
- MiFID (as on-shored);
- MiFIDPru;
- the new anti-greenwashing rule; and
- sustainability disclosure requirements and labelling.

We have also advised on other developments in recent years, including operational resilience and the financial promotion of high-risk investments, among others. We also have an international outlook, collaborating with firms abroad on matters such as the overseas funds regime.

Commitment to the sector

Supporting industry bodies

Our teams support industry bodies by speaking at events, providing insight into regulatory developments, case law and wider views on key developments within the asset management sector, as well as participating in various working groups.

We are associate members of several industry bodies including the Investment Association, the British Private Equity & Venture Capital Association and the Association of Real Estate Funds.

Webinars and newsletters: our views on key market developments

We run a regular series of webinars for our asset management and investment funds clients, which provide practical insights into key legal developments that impact them. We also produce a quarterly briefing, FI360, for our financial services clients, including asset managers and investment funds.

To sign up to our emails and/or events contact Christina Glattli at christina.glattli@farrer.co.uk who will add you to our mailing list.

Bespoke training and support for your team

We frequently deliver bespoke training to our clients, including at board level, to legal and compliance teams and to the front office, sharing our knowledge, expertise and practical guidance. All training is designed specifically for our clients and their unique needs.

Authorised funds

We regularly act on the establishment of FCA authorised funds, including UCITS and NURS funds, and have extensive experience in restructures, such as schemes of arrangement and the implementation of master feeder arrangements, both domestic and cross-border. Our work covers the full range of FCA authorised funds including:

- Authorised Contractual Schemes (ACS);
- Charity Authorised Investment Funds (CAIFs);
- Funds of Alternative Investment Funds (FAIFs);
- Long-Term Asset Funds (LTAFs);
- Property Authorised Investment Funds (PAIFs);
- Qualified Investor Schemes (QIS); and
- Qualifying Money Market Funds (QMMFs).

Some examples of our work with investment funds and asset managers in the authorised funds space include:

- Reviewing and updating prospectuses on an annual basis for a large number of FCA authorised funds.
- Advising several UK-based asset managers on the new Sustainability Disclosure Requirements, including working with asset managers looking to use sustainability investment labels.
- Advising fund managers with overseas funds on routes to market in the UK, including applications under s.272 FSMA and preparation for the UK's new overseas funds regime.

Please take a look at our useful guide to authorised funds.

“What is important is finding a firm with good lawyers who engage with you, and Farrer & Co is that.”

- Legal 500

Private funds

We act for a range of alternative investment fund managers, as well as large and sophisticated family offices. We have extensive experience in establishing a variety of funds, including private equity, venture capital, property and debt funds across multiple jurisdictions including the UK, Jersey, Guernsey, and the Cayman Islands.

We assist private fund managers throughout the fund lifecycle, from advising marketing teams on roadshow presentation content and negotiating term sheets with cornerstone investors to formalising the investor relationship by drafting limited partnership agreements, subscription agreements, and side letters. As well as the fund documents, we draft the relevant management agreements, investment advisory agreements, and negotiate contracts with third party entities such as depositaries, custodians, administrators, and placement agents. We also help management teams to formalise their performance payments by establishing interest vehicles.

Examples of our private funds work include:

- **UK property investment vehicle:** advising a Far-Eastern family office on the establishment of their first and second £100m UK domiciled property investment structures. We drafted the constitutional and subscription documents, and our Property team continues to act on the buying and selling of the commercial properties within the portfolio.
- **Jersey private equity fund:** advising a London-based private equity manager on their new £300m fund, with the fund vehicles established in Jersey. We advised the manager on UK regulation and the establishment of a complex carried interest arrangement for the management team. We project managed the fund formation working with Jersey counsel.
- **Guernsey special situations fund:** advising a UK-based private equity/venture capital manager on the establishment of two special situations funds established in Guernsey. Each fund raised approximately £40m subscribed by a range of UK, US and third country investors. We drafted the fund documents with input from Guernsey counsel and ran the subscription process involving 50+ individual investors for both vehicles, including detailed negotiation on side letter terms.

Corporate and M&A

We have market-leading expertise in complex, high value corporate transactional work for a wide range of asset management and investment fund clients. Our experience in the sector means that we understand the complex issues and practical concerns that arise in transactions involving regulated entities.

We act on a range of transactions for both buyers and sellers and work closely with clients' internal teams and our specialist lawyers to cover all stages of the M&A process, from initial structuring to post-completion integration.

Outside of transformational M&A, our advisory work for private companies, LLPs and partnerships encompasses the full spectrum of corporate activities, including group restructurings and governance.

We advise on equity fund-raisings, investments, and exits in high-growth financial services businesses, including fintech clients.

Restructuring and Insolvency

We regularly advise asset managers and investment funds on dealing with distressed debt positions and defaulting borrowers. This includes acting on the enforcement of both regulated and unregulated loans and dealing with secured and unsecured debts.

We advise at all stages of the process, from strategic options at the outset, preparing reservation of rights letters and payment demands and undertaking security reviews, to the enforcement and realisation of security through the appointment of a receiver or other suitable enforcement options. We also advise on their position and options where clients are subject to formal corporate and personal insolvency processes.

Real Estate

We have a large multidisciplinary Real Estate team which deals with every aspect of commercial, rural and residential property law.

Our work spans the full range of transactional secured lending and property advisory work, with the latter including real estate sales and purchases, property development, and landlord and tenant matters. We also advise on specialist areas such as planning, construction, complicated property holding structures and leasehold enfranchisement.

In a challenging market our clients continue to appreciate our excellent service and collaborative approach to every property transaction.

Data, Technology, and Commercial Contracts

We have a long-established reputation for high quality contract drafting, negotiation and review work involving commercial contracts for asset managers and investment funds.

We have particular expertise in handling technology contracts including IT services and outsourcing agreements, new software and hardware acquisition, mobile apps, as well as other software and website development agreements. We also advise on the acquisition or provision and regulation of novel technologies, including fintech solutions, automated programs, artificial intelligence and machine learning programs.

We regularly help asset managers and investment funds with data protection matters. We do this with the benefit of a deep understanding of their regulatory environment and technology, which we have learned from many years of advising on information law issues in connection with the regulatory matters that the Financial Services Regulation team advises on. Our work covers regular data protection compliance issues, privacy notices and other policy documents and risk assessments for data processing activities which present a particular risk to individuals and their privacy rights, or which are the focus of the Information Commissioner's Office (ICO) or of other regulators including the FCA. We also handle personal data breach incidents and respond to data subject access requests.

Employment

Our Employment team has an established track record of acting for asset managers and investment funds. We are therefore well versed in working with organisations who must consider regulatory and reputational issues, alongside legal and commercial ones, when addressing a particular employment matter.

Our work includes specific employment projects such as restructures, reorganisations and acquisitions and drafting renumeration policies. We also advise on disciplinaries, performance proceedings, grievances, whistleblowing investigations, employee departures and regulatory reference, contract and handbook drafting. We frequently successfully defend clients facing Employment Tribunal proceedings.

We provide regular training on topics including equality, diversity and inclusion, managing investigations and whistleblowing, and publish a weekly employment blog on employment law issues.

We are one of the only employment teams in London which has a leading employer and senior executive practice. We believe this greatly assists our employer clients, as it allows us to anticipate more easily the steps an employee might take in a particular case.

Private Client

We have an internationally renowned Private Client team, and we regularly provide advice on issues relating to their clients.

We frequently advise on the probate process, including the implications when an account holder, donor and/or attorney passes away, and the resulting impact on account management.

We have extensive experience in advising on issues surrounding mental capacity, including the operation of accounts where an individual has lost or is potentially losing mental capacity. We frequently prepare and advise on lasting powers of attorney and the inclusion of wording concerning the discretionary management of investments.

In the context of accounts established for trustees, we advise on trustee powers and duties, including requirements in respect of beneficiaries and the management of trust assets. We advise on trustee powers of attorney, including considerations when appointing more than one attorney, as well as time limitations.

Tax

Our dedicated Tax team has extensive experience advising asset managers and investment funds on the UK tax issues relevant to each stage of a fund's lifecycle.

We regularly advise on fund structuring and reorganisation as well as transactional fund matters, including stamp duty/SDRT, SDLT, VAT and withholding taxes.

We assist with tax-related disclosures and clearance applications and with tax drafting in funds' prospectuses and other legal documents. We regularly advise on fund reconstructions and help clients to manage their tax risk and compliance exposure, including in relation to the Authorised Investment Funds Tax Regulations.

Working closely with our colleagues across the firm, we provide strategic support and advice on the tax treatment of the transactions and the investment structures underpinning asset managers' and investment funds' operations.

We have deep expertise advising on matters relating to fund establishment, investment transfers and mergers, and fund restructurings, and can assist on a host of tax-related matters pertaining to asset managers and investment funds.

Disputes

We have a dedicated Financial Services Disputes practice focused on advising asset managers and investment funds in matters before the English civil and criminal courts and on matters involving regulatory institutions including the FCA, the PRA, the SFO, the City of London Police and overseas financial authorities and regulators. Our team is accustomed to, and trusted with, handling complex, high profile, high value and international/cross-border matters for our clients.

We advise on a diverse range of finance-related contentious matters covering all phases of litigation in the English Courts, investigations by financial regulators and internal investigations. With the increasingly international nature of our work, our clients benefit from our long-established links with market-leading overseas law firms and firms providing complementary expert services across the globe.

Our team

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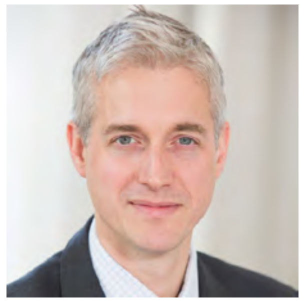

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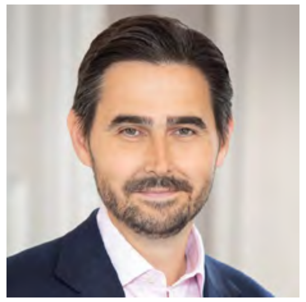

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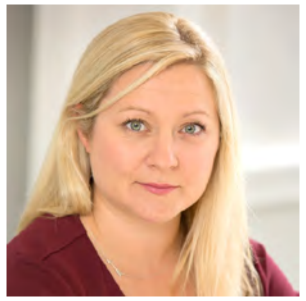

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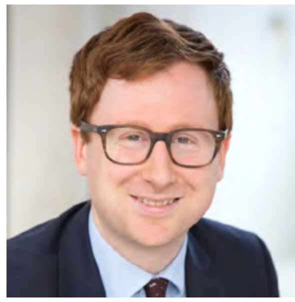

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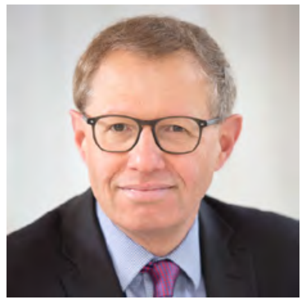

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